

**Iowa Department of Natural Resources
Environmental Protection Commission**

ITEM

7

DECISION

TOPIC

**Contract - University of Northern Iowa's (UNI) Iowa Waste Reduction Center –
Small Business Assistance Program**

The Department requests Commission approval of a 28E agreement in the amount of \$461,580.00 with the University of Northern Iowa, for the period of July 1, 2007 through June 30, 2008. This is an increase of \$21,980 from the prior year due to a change in personnel salary and benefits. This 28E agreement establishes cost reimbursable payments solely funded through the Title V program fees.

The Small Business Assistance Program, which is mandated by Section 507 of the Clean Air Act, provides technical and non-technical assistance to small businesses. The State of Iowa has established that the University of Northern Iowa will fulfill the technical assistance component. Through this 28E agreement, the University of Northern Iowa's Iowa Waste Reduction Center (IWRC) will continue to allow the Iowa Air Emission Assistance Program (IAEAP) to provide technical assistance to small businesses.

The IAEAP assists small businesses with air permitting requirements, emission estimations, and determination of regulatory status and compliance requirements. They also provide small businesses with on-site visits for compliance and pollution prevention assistance, and information concerning alternative technologies, process changes, procedures and methods of operation that help reduce air pollution.

The 28E agreement with the University of Northern Iowa is entered into each year. By entering into this 28E agreement on a yearly basis, the Department has been able to provide various aspects of technical assistance to Iowa's small businesses. The assistance provided by IAEAP under the current agreement includes 178 construction permit applications, 128 emission inventories, 59 facility site visits, and 35 other various types of assistance (exemption applications, outreach presentations, etc).

Christina Iiams, Program Planner 2
Air Quality Bureau
Environmental Services Division

Memo Date: May 14, 2007

IOWA DEPARTMENT OF NATURAL RESOURCES

AGREEMENT NUMBER 2008-7230-01

With

UNIVERSITY OF NORTHERN IOWA

Agreement Title: Small Business Assistance Program Pursuant to Section 507 of the Clean Air Act Amendments of 1990: Iowa Air Emissions Assistance Program (IAEAP)

Agreement Amount: not to exceed \$ 461,580.00

Time of Performance: July 1, 2007 to June 30, 2008

Agreement Manager Christina Iiams
DNR-Air Quality Bureau
7900 Hickman Rd, Suite 1
Urbandale, IA 50322

Submit Original Invoice and two copies to: Jennifer Nelson, Chief
Department of Natural Resources
Wallace State Office Building
Des Moines, IA 50319-0034
ATTN: Budget and Finance Bureau

Issue Payment to: University of Northern Iowa
Attention Cashier
Office of Business Operations
Cedar Falls, Iowa 50614-0008
Federal Employer ID# 42-6004333

The University of Northern Iowa agrees to deliver all supplies and perform all services set forth in the attached Special Conditions for the consideration stated herein. The rights and obligations of the parties to this agreement shall be subject to and governed by the Special Conditions and General Conditions. To the extent of any inconsistency between the Special Conditions or the General Conditions and any specifications or other conditions which are made a part of this agreement, by reference or otherwise, the Special Conditions and General Conditions shall control. To the extent of any inconsistency between the Special Conditions and the General Conditions, the Special Conditions shall control. This agreement contains 13 articles.

IN WITNESS THEREOF, the parties hereto have executed this agreement on the day and year last specified below.

UNIVERSITY OF NORTHERN IOWA

By: _____
Edward M. Ebert
Grants and Contracts Administrator
Date: _____

DEPARTMENT OF NATURAL RESOURCES

By: _____
Liz Christiansen
Deputy Director
Date: _____

This agreement was approved, as required by Subsection 455B.105(6) of the Code of Iowa, by the Environmental Protection Commission on [DATE]

SPECIAL CONDITIONS

ARTICLE I IDENTIFICATION OF PARTIES

This agreement, which is a joint or co-operative undertaking within the meaning of Iowa Code section 28E.1, is entered into by and between the Iowa Department of Natural Resources (hereinafter referred to as Department or DNR) and the University of Northern Iowa (hereinafter referred to as UNI). UNI's Iowa Waste Reduction Center shall be responsible for the duties, technical reporting, and activities required under this agreement.

ARTICLE II STATEMENT OF PURPOSE

This agreement is entered into for the purpose of creating and sustaining a small business assistance program pursuant to Section 507 of the Clean Air Act Amendments of 1990 (hereinafter CAAA).

ARTICLE III TIME OF PERFORMANCE

This agreement shall be effective on July 1, 2007. Performance by UNI shall commence after this agreement has been signed, but not prior to July 1, 2007. If both parties prior to the effective date do not sign this agreement, DNR may issue to UNI a written assurance of its intent to execute this agreement. The performance required herein shall be completed by June 30, 2008, with the exception of the specific reports named in this document that are due on or before July 30, 2008.

ARTICLE IV DESIGNATION OF OFFICIALS

4.1 DNR –The Deputy Director of the Department shall be the official authorized to execute any changes in terms, conditions, or amounts specified in this agreement. The Division Administrator and the Chief of the Air Quality Bureau, are designated by the Deputy Director to negotiate, on behalf of the Department, and subject to the approval of the Deputy Director, any changes to this agreement.

- a. The DNR Agreement Manager shall be responsible for receiving all non-financial documents from the Liaison and shall then disseminate the documents to the respective DNR program areas. The DNR Agreement Manager may also assist in logistics planning for working sessions and meetings as necessary.

4.2 UNI – The Grants and Contract Administrator of the University of Northern Iowa shall be the official authorized to execute any changes in terms, conditions, or amounts specified in this agreement. The following individuals are designated as Key Personnel subject to section 11.3 of the General Conditions: John Konefes, Director, Iowa Waste Reduction Center, UNI; Daniel Nickey, IAEAP Manager, Iowa Waste Reduction Center, UNI.

4.3 The above officials shall represent their respective agencies in all matters necessary to the successful completion of this agreement. In the event that one party proposes a change in the individuals designated as Key Personnel, the other party shall be notified in writing not later than ten (10) working days prior to the proposed effective date of the change.

4.4 The parties to this agreement may engage in informal conflict resolution. Any party to the agreement may call for informal conflict resolution with the informal resolution process being determined by the parties as needed. At anytime, any party may request the end of informal conflict resolution and the parties shall immediately proceed to arbitration as outlined in Article IV, Section 4.5 of this agreement.

4.5 Disputes between the parties to this agreement which are not resolved on an informal basis shall be submitted to a board of arbitration, according to the provisions of Iowa Code section 679A.19 (2005).

ARTICLE V REQUIREMENT OF 28E

5.1 In accordance with Iowa Code section 28E.6, the DNR Deputy Director, DNR Air Quality Bureau Chief (or designee), UNI Grant and Contracts Administrator, IWRC Director, and IAEAP Manager along with the DNR Agreement Manager shall serve as the joint board responsible for the administration and day-to-day management of this agreement.

5.2 In accordance with Iowa Code section 28E.8, this agreement shall be filed, by the Agreement Manager, with the Iowa Secretary of State's Office and the county recorder, or if there is no county recorder, the county auditor of Black Hawk County.

5.3 The agreement has also been approved, in accordance with Iowa Code section 28E.12, by the governing body of the University of Northern Iowa and by the Environmental Protection Commission. UNI shall retain on site for a minimum of five (5) years any documents citing the governing board's approval. The documents shall be made available to the DNR and/or state auditor upon request.

ARTICLE VI SCOPE OF WORK

Ongoing Activities:

Activities and projects as outlined in this contract shall relate only to the duties as specified in Section 507 of the Clean Air Act.

6.1 UNI shall provide mechanisms for developing, collecting, and coordinating information concerning compliance methods and technologies for small business stationary sources, and programs and workshops as needed to encourage lawful cooperation among such sources, and other persons to further compliance with the federal Clean Air Act (CAA).

Deliverable(s): UNI shall provide updates during working sessions or in the monthly reports submitted to the DNR Agreement Manager (see Article VII, 7.1 and 7.2).

6.2 UNI shall provide mechanisms for assisting small business stationary sources with pollution prevention and accidental release detection and prevention, including providing information concerning alternative technologies, process changes, products, and methods of operation that help reduce air pollution, including continued promotion to Iowa dry cleaners of the dry cleaning compliance tools that were created in SFY 2004.

Deliverable(s): UNI shall provide updates during working sessions or in the monthly reports submitted to the DNR Agreement Manager (see Article VII, 7.1 and 7.2). Monthly reports shall include information on the updates made to the dry cleaning compliance calendar and the promotion of the "Paint Plus" system.

6.3 UNI shall provide assistance to small business stationary sources in determining applicable requirements and receiving construction permits and permits by rule, completing exemption justification documents for the small unit exemption, and determining applicability of New Source Performance Standards (NSPS) and National Emission Standards for Hazardous Air Pollutants (NESHAP), in a timely and efficient manner and in accordance with the provisions of 567 IAC Chapters 20-31.

Deliverable(s):

a) UNI shall provide a cover letter with each permit application being submitted to the DNR. The cover letter shall be signed by the UNI staff member who prepared the application.

b) UNI shall summarize the number of small business stationary sources that were assisted in each of the categories listed in Article VI, 6.3 in the monthly reports submitted to the DNR Agreement Manager (see Article VII, 7.2).

6.4 UNI shall inform small business stationary sources of their obligations under the CAA, and shall provide on-site audits upon request or shall refer such a source to qualified auditors.

Deliverable(s): UNI shall summarize the number of small business stationary source audits completed each month provide brief updates, as necessary, regarding on-site audits during working sessions or in the monthly reports submitted to the DNR Agreement Manager (see Article VII, 7.2).

6.5 UNI shall ensure small business stationary sources receive notice of their rights under CAA in such a manner and form as to assure reasonably adequate time for such sources to evaluate compliance methods, and any relevant or applicable proposed or final state or federal regulation or standard.

Deliverable(s): UNI shall provide updates during working sessions or in the monthly reports submitted to the DNR Agreement Manager (see Article VII, 7.1 and 7.2).

6.6 UNI shall provide written comment, as appropriate, during the rule development and promulgation of DNR air quality rules with emphasis on impacts to small business stationary sources.

Deliverable(s): As necessary or requested by the DNR, UNI shall provide written comments when rules are being developed or have been proposed. Written comments shall be provided within the time frame requested by the DNR or, in the case of proposed rules, no later than the day public comment closes.

6.7 UNI shall assist DNR in the consideration of requests from small business stationary sources for the modification of any work practice or technological method of compliance, or the schedule of milestones for implementing such work practice or method of compliance preceding any applicable date, based on technological and financial capability of any such small business stationary source.

Deliverable(s): UNI shall communicate to DNR any requests for modifications and shall participate in meetings, as requested.

6.8 UNI shall develop and maintain, for a minimum of three years from the last date of modification, a database of small businesses contacted by UNI. The database shall include, but not be limited to, the following: company, address, and phone number. This database shall be used by UNI to collect summary statistics for the purposes of the reporting activities required by this agreement.

Deliverable(s):

a) UNI shall develop and/or maintain small business databases.

b) If applicable, information from the database(s) shall be used by UNI to provide updates during working sessions or in the monthly reports submitted to the DNR Agreement Manager (see Article VII, 7.1 and 7.2).

6.9 UNI shall establish and operate a toll-free telephone line to provide free assistance to small business stationary sources. Repairs to the toll free-line are the responsibility of UNI.

Deliverable(s): UNI shall maintain a functioning toll-free line.

6.10 UNI shall maintain a web site and update it quarterly or as necessary. The web site shall describe services and assistance provided by the Iowa Air Emissions Assistance Program (IAEAP) and provide small business stationary sources with information on their obligations under the CAA. UNI shall ensure that the web-site and any links remain functional. Repairs and updates to the web-site are the responsibility of UNI.

Deliverable(s): UNI shall provide an update to the DNR regarding the number of hits received in the final report submitted to the DNR Agreement Manager (see Article VII, 7.4).

6.11 UNI shall coordinate with DNR regarding participating in any DNR task forces and workgroups that may have any relevant impact on small business stationary sources.

Deliverable(s): UNI shall coordinate participation with DNR and attend meetings and events as jointly determined.

6.12 UNI shall coordinate with DNR to develop plain language guides or guidance sheets upon publication of final rules that may have a significant impact on small business stationary sources. (These items must comply with the requirements outlined in Article VIII, Section 8.4 of this contract).

Deliverable(s): DNR and UNI shall meet, as necessary, to develop a format and outreach strategy. All plain language guides or guidance sheets shall be reviewed and approved by DNR prior to UNI distribution.

6.13 UNI IAEAP professional staff (as defined in Article VIII, Section 8.7) and the subcontracted Professional Engineer (as defined in Article VIII, Section 8.8), shall receive training from DNR on the construction permit process and forms, as required in writing by the DNR.

Deliverable(s): UNI shall attend training as requested by DNR.

6.14 All UNI IAEAP professional staff, as defined in Article VIII, Section 8.7, shall maintain familiarity with relevant air quality permitting and technologies by completing training courses.

Deliverable(s):

- a) UNI shall submit a training plan for all professional staff. The training plan shall be submitted on an annual basis (as per Section XIII) for DNR review and recommendation.
- b) In reports submitted to the DNR Agreement Manager (see Article VII, 7.2), UNI shall provide a list of training courses attended.

6.15 If agreed upon by DNR and UNI, UNI shall attend scheduled meetings and events to inform small business stationary sources of applicable requirements.

Deliverable(s): UNI shall coordinate participation with DNR and attend scheduled meetings and events as jointly determined.

6.16 UNI shall collaborate with the DNR–Air Quality Bureau, DNR–Pollution Prevention Services (P2), and the small business assistance Liaison of DED to develop and implement joint collaboration projects, evaluate the outcomes, and identify concerns.

Deliverable(s): UNI shall collaborate with the DNR–Air Quality Bureau, DNR–Pollution Prevention Services (P2), and the small business assistance Liaison of DED as needed.

Special Projects:

6.17 For assistance with Minor Source Inventory Questionnaires (MSEIQs), UNI shall complete the following steps:

- a) Provide one-on-one assistance to all small business stationary sources (as defined in Section 507 of the CAA) that request assistance between January 1 through May 15, 2008, provided that the source responds to UNI IAEAP staff's request for information in a timely fashion,
- b) Submit MSEIQs to the DNR by September 1, 2008. The MSEIQs shall be submitted in accordance with the Standard Operating Procedures (SOP) created by the DNR and UNI (dated January 2007),
- c) Complete MSEIQs using the SPARS Web, unless the small business stationary source requests a paper submittal.
- d) Complete at least one (1) mailing offering assistance with the MSEIQ,
- e) Conduct at least two (2) workshops offering assistance with the MSEIQ by April 30, 2008, unless deemed unnecessary by UNI and DNR,

- f) Provide site visits to all small business stationary sources required to complete a MSEIQ, if they request a visit, and
- g) All new UNI staff working with MSEIQs must attend a DNR SPARS training class or schedule individual SPARS training with DNR staff.

Deliverable(s): UNI shall complete MSEIQ assistance and work activities by the dates established, unless both parties of this agreement agree to revisions or cancellations.

6.18 UNI shall meet with the DNR Emissions Inventory staff annually. During this meeting UNI and DNR will, at a minimum, review and as necessary update the SOP that was created in January 2007 and identify concerns.

Deliverable(s): UNI shall assist the DNR Emissions Inventory Lead Worker in coordinating the meetings and agenda no later than June 1, 2008.

6.19 UNI (including the subcontracted Professional Engineer) shall meet with the DNR Construction Permitting staff annually. During this meeting UNI and DNR will, at a minimum, review a current procedure/policy and identify areas of concern.

Deliverable(s): UNI shall assist the DNR Construction Permitting staff in coordinating the meetings and agenda no later than June 30, 2008.

6.20 UNI shall assist dry cleaning facilities in complying with any MACT standards DNR puts into effect that impact the dry cleaning sector.

Deliverable(s): UNI shall meet with DNR no later than two weeks prior to new MACT standards becoming effective to determine necessary outreach methods and to review any documents being published.

6.21 UNI shall assist country grain elevators with completing DNR's construction permit registrations, construction permit templates, permit application forms, and recordkeeping as necessary.

Deliverable(s): UNI shall meet with DNR as requested to determine necessary outreach methods, to review any documents being published, and to coordinate assistance.

ARTICLE VII

GENERAL REPORTS

Working Sessions

7.1 The DNR and UNI shall convene at least three times annually to provide updates on items pertaining to small businesses.

Reports

7.2 Monthly Reports. UNI shall submit to the DNR Agreement Manager written reports on a monthly basis describing the work activities for the month preceding each report, according to the schedule set forth in Article VII, Section 7.3. The report shall include, but not be limited to, the following:

- a) Client Assistance Summary,
- b) Staff training completed (if any),
- c) Client Evaluation Summaries,
- d) Continuing Projects, and
- e) Upcoming Activities

7.3 Monthly Report Schedule. Monthly reports are due on or before the listed due dates.

Reporting Period	Reports Due
July 1-31, 2007	August 15, 2007
August 1-31, 2007	September 15, 2007
September 1-30, 2007	October 15, 2007
October 1-31, 2007	November 15, 2007
November 1-30, 2007	December 15, 2007
December 1-31, 2007	January 15, 2008
January 1-31, 2008	February 15, 2008
February 1-28, 2008	March 15, 2008
March 1-31, 2008	April 15, 2008
April 1-30, 2008	May 15, 2008
May 1-31, 2008	June 15, 2008
June 1-30, 2008	July 15, 2008

7.4 Final Report. UNI shall submit to the DNR Agreement Manager by July 30, 2008, a written report of work activities completed during the agreement period. The report shall include, but is not limited to the following items:

- a) Client Assistance Summary,
- b) Client Evaluation Summaries,
- c) Staff training and meeting attendance,
- d) Website tally, and
- e) Distribution tally of publication(s)

7.5 Time Reports. UNI shall submit, within 30 days of expiration of this agreement, a report to the DNR Agreement Manager summarizing how staff members' time was utilized. This report shall summarize each staff's time and salary/benefit payments for work timed under UNI's IAEAP classification code from July 1, 2007 through June 30, 2008.

7.6 Budget Reporting. With each payment claim as set forth in Article X, Section 10.2, UNI shall submit to the DNR-Budget and Finance Bureau an expenditure report. The expenditure report shall be included with the payment claim and shall summarize actual monthly and cumulative expenditures according to the budget line item categories as identified in Article XII. The "other" category shall further list costs according to UNI's expenditure object descriptions (<http://access.uni.edu/reports/memfis/expobj.pdf>) that make up the category. Additional clarification, within fifteen (15) days of DNR's request shall be submitted for any expenditure listed.

7.7 Equipment Reporting. UNI shall submit to DNR, along with the expenditure report as set forth in Article VII, 7.6, a monthly report which itemizes all equipment purchases subject to Section 18 of the General Conditions.

7.8 Draft Budget and Work plan. On or before January 15, 2008, UNI shall submit to the DNR Agreement Manager a work plan, estimated staff salaries and benefit breakdown, and draft itemized budget for the period of July 1, 2008 through June 30, 2009. The draft should contain the same work duties and ongoing activities as are contained in the current agreement. Any new responsibilities proposed in the draft work plan, shall be shown and budgeted separately. The draft budget shall include written justification for each of the line items proposed. This draft budget report and work plan is for use by DNR in preparing the initial draft agreement for the period of July 1, 2008 through June 30, 2009.

7.9 Initial Agreement Review. On or before March 17, 2008, UNI shall provide written comments to the DNR Agreement Manager regarding the initial draft agreement provided by DNR. Review comments shall

include proposed changes, deletions, revisions, and additions. Justification must be provided by UNI for any proposed changes to the draft agreement. If there are no comments, UNI shall inform DNR there are no comments. An extension of time for review may be granted if agreed upon by both parties to this Agreement.

7.10 Final Agreement Review. On or before April 30, 2008, UNI shall submit to the DNR Agreement Manager any comments regarding the final draft agreement.

ARTICLE VIII CONTRACTUAL MONITORING

8.1 DNR shall have the right to review and observe, at any time, completed work or work in progress. The “right to review” includes, but is not limited to, DNR attendance at workshops or training sessions and the ability to schedule an audit to examine paperwork, materials, etc. prepared pursuant to this agreement. The “right to review” does not pertain to information which has been obtained by the UNI Iowa Waste Reduction Center while acting according to the provisions of Iowa Code section 455B, Division IV, Part 9. Information obtained pursuant to Iowa Code chapter 455B, Division IV, Part 9, shall be confidential pursuant to the provisions of Iowa Code section 455B.484A.

8.2 All information generated by the terms and conditions of this agreement shall become the property of the State of Iowa.

8.3 If requested by DNR, facility information as set forth in Article VI, Section 6.8 shall be provided to DNR within twenty four (24) hours, unless both DNR and UNI agree that Iowa Code section 455B.484A is applicable, as set forth in Article VIII, Section 8.1.

8.4 UNI shall place the following statement(s) on the cover page of all non-financial reports, or other informational material prepared pursuant to this agreement. This statement shall not be necessary on any quarterly or annual status reports submitted to DNR pursuant to this agreement, provided such reports are not also being used as part of a public information program.

For documents containing policies and statements, the following language shall be used:

"The publication of this document has been funded in part by the Iowa Department of Natural Resources. Policies and statements in this publication are intended solely as guidance, cannot be used to bind the Iowa Department of Natural Resources and are not a substitute for reading applicable statutes and regulations."

For documents that do not contain policies and statements, the following language shall be used:

"The publication of this document has been funded in part by the Iowa Department of Natural Resources."

8.5 UNI shall submit to the DNR Agreement Manager an original unbound copy of each non-financial document or report prepared under this agreement by the deadlines specified in Article VII.

8.6 No document involving the small business assistance program created under the scope of this contract and the SBAP work plan shall be withheld from the DNR by UNI .

8.7 UNI shall employ five (5) full time equivalent (FTE) positions under this agreement and shall account for their time in accordance with the requirements of Article VII, Section 7.5. These five (5) FTE positions shall be devoted to fulfilling the requirements of this agreement. At least three and one-half (3.5) of the five FTE positions shall be “professional staff” positions. The “professional staff” positions shall include “Waste Reduction Specialist”, and “Program Manager.”

8.8 All construction permit applications shall be reviewed by a Professional Engineer (PE). The PE shall be a licensed professional engineer according to the terms of Iowa Code chapter 542B. In accordance with Section 12 of the General Conditions, UNI shall submit to the DNR Agreement Manager no later than July 31, 2007:

- a. a request for written approval to subcontract with a PE;
- b. all professional credentials, previous experience and other relevant information regarding the PE; and
- c. a draft copy of the subcontract for DNR to review. The subcontract shall include the following statement about the purpose of the subcontract:
“The purpose of this contract is to allow UNI to submit construction permit applications to DNR that have been prepared by or under the direct supervision of a professional engineer licensed in the state of Iowa in conformance with Iowa Code section 542B.1.”

The subcontract shall also describe:

1. the parties entering into the subcontract;
2. time of performance;
3. services to be provided by the PE; and
4. monetary amounts to be paid per hour or per permit review.

DNR shall review and approve in writing the above-mentioned submittals before the subcontract may be executed. If for any reason DNR does not approve the submission or any part thereof, then the subcontract shall be terminated and a new submission in accordance with Section 12 of the General Conditions shall be submitted by UNI no later than September 1, 2007. A copy of the signed contract between UNI & the PE should be submitted to DNR within two weeks of being signed.

8.9 Any new scope of work items requiring a contract or changes to this agreement shall be established as an amendment to this agreement, if agreed to by both parties.

ARTICLE IX DNR RESPONSIBILITIES

9.1 Within 15 days of receipt, DNR shall review each non-financial, informational document or report submitted to DNR by UNI. DNR shall provide comments based on its review. UNI shall address DNR's comments within 15 days of receipt. Failure of DNR to provide comments within the allotted time constitutes approval by DNR.

9.2 Initial Draft Agreement. By February 15, 2008, DNR shall submit to UNI the initial draft agreement for the period of July 1, 2008, through June 30, 2009. The DNR shall also review and as necessary, provide comment on the work plan, comments, and budget report submitted previously by UNI.

9.3 Final Draft Agreement. By April 15, 2008, DNR shall submit to UNI the final draft agreement for the period of July 1, 2008, through June 30, 2009.

9.4 DNR shall provide UNI with access to training videos, workshops, and site visits that would serve as a development tool for UNI.

9.5 DNR shall accommodate UNI with workspace, staff accessibility, and resources should UNI decide to work in the DNR office on Air Quality projects. UNI IAEAP staff shall contact the Agreement Manager to set up the logistics of working in the DNR office.

ARTICLE X

CONDITIONS OF PAYMENT

10.1 UNI shall receive payment only for actual costs incurred and invoiced. UNI shall provide to DNR, as set forth in Article VII, Section 7.6, a record of expenditures. This agreement is funded solely by Title V fees. UNI shall be paid for satisfactory completion of work outlined in Articles VI and VII according to the budget stated in Article XII.

10.2 For each payment due under this agreement, UNI shall submit an original and two (2) copies of its invoice to the DNR-Budget and Finance Bureau. Each claim shall be submitted within thirty days of accrual of the costs asserted therein. No claim shall be allowed by the Department of Revenue and Finance when such claim is presented after the lapse of three months from its accrual. (Section 421.38, Code of Iowa, special provisions of law excepting).

10.3 DNR shall not process payment for items of work or service which in the determination of DNR, do not meet the specifications of this agreement. If the item of work or service is resubmitted by a date agreed to by DNR and UNI through an amendment to this agreement and is determined by the Deputy Director to be satisfactorily completed according to the specifications of this agreement, then payment shall be processed.

10.4 DNR may terminate this agreement for cause within the meaning of Section 7.1 of the General Conditions if UNI submits any item of work or service more than ten (10) working days after the due date.

10.5 This agreement may be amended if a specific project or work item cannot be completed, in DNR's determination, within the time frame specified in Article III. Payment for the uncompleted project or work item may be withheld until completion of the work. All changes to this agreement must be approved in writing by both DNR and UNI.

10.6 Either agency may terminate this agreement upon written notice, signed by the designated official of the agency terminating the agreement. Written intent to terminate this agreement must be provided to the other agency not later than sixty (60) calendar days prior to termination.

ARTICLE XI

AGREEMENT PAYMENT SCHEDULE

11.1 Monthly payments shall be made upon receipt of invoices from UNI as set forth in Article X.

11.2 The agreement total payment shall not exceed \$461,580.00 from July 1, 2007 through June 30, 2008. Payment for each expenditure category designated as "not to exceed" shall not exceed the amounts specified in Article XII.

11.3 All contracted duties and activities shall be performed regardless of UNI exceeding the total payment amount of \$461,580.00. No further reimbursement shall be available DNR approval.

11.4 The final invoice shall be due within 45 days of expiration of this agreement. Payment of the final invoice shall be withheld until receipt and acceptance by DNR of UNI's final monthly performance report, as set forth in Article VII, Section 7.4.

ARTICLE XII**BUDGET**

Category	Totals
Personnel/Benefits not to exceed	\$ 366,261.25
Travel/Training	\$ 22,000.00
Supplies	\$ 8,535.75
Equipment	\$ 0.00
Other (Total)	\$ 11,092.00
PE Contractual	\$ 19,500.00
Indirect Costs	\$ 34,191.00
Total Project Costs not to exceed	\$ 461,580.00

ARTICLE XIII**IAEAP WORK PRODUCTS & DELIVERABLES**

Product/Deliverable	Reference	Due Date
Information regarding Professional Engineer	Article VIII/8.8/a-c	July 31, 2007
Monthly Report	Article VII/7.2 & Article VII/7.3	August 15, 2007
Invoice & Expenditure Report	Article VII/7.6 & Article X/10.2	August 31, 2007
Monthly Report	Article VII/7.2 & Article VII/7.3	September 15, 2007
Invoice & Expenditure Report	Article VII/7.6 & Article X/10.2	September 30, 2007
Monthly Report	Article VII/7.2 & Article VII/7.3	October 15, 2007
Invoice & Expenditure Report	Article VII/7.6 & Article X/10.2	October 30, 2007
Working Session #1	Article VII/7.1/a	November 15, 2007
Monthly Report	Article VII/7.2 & Article VII/7.3	November 15, 2007
Invoice & Expenditure Report	Article VII/7.6 & Article X/10.2	November 30, 2007
Monthly Report	Article VII/7.2 & Article VII/7.3	December 15, 2007
Invoice & Expenditure Report	Article VII/7.6 & Article X/10.2	December 31, 2007
Monthly Report	Article VII/7.2 & Article VII/7.3	January 15, 2008
Draft Budget & Workplan	Article VII/7.8	January 15, 2008
Invoice & Expenditure Report	Article VII/7.6 & Article X/10.2	January 31, 2008
Monthly Report	Article VII/7.2 & Article VII/7.3	February 15, 2008
Invoice & Expenditure Report	Article VII/7.6 & Article X/10.2	February 28, 2008
Working Session #2	Article VII/7.1	March 15, 2008
Monthly Report	Article VII/7.2 & Article VII/7.3	March 15, 2008
Initial Agreement Review	Article VII/7.9	March 17, 2008
Invoice & Expenditure Report	Article VII/7.6 & Article X/10.2	March 31, 2008
Final Agreement Review	Article VII/7.10	April 30, 2008
Monthly Report	Article VII/7.2 & Article VII/7.3	April 15, 2008

Product/Deliverable	Reference	Due Date
Invoice & Expenditure Report	Article VII/7.6 & Article X/10.2	April 30, 2008
Monthly Report	Article VII/7.2 & Article VII/7.3	May 15, 2008
Invoice & Expenditure Report	Article VII/7.6 & Article X/10.2	May 31, 2008
Working Session #3	Article VII/7.1	June 15, 2008
Monthly Report	Article VII/7.2 & Article VII/7.3	June 15, 2008
Invoice & Expenditure Report	Article VII/7.6 & Article X/10.2	June 30, 2008
Monthly Report	Article VII/7.2 & Article VII/7.3	July 15, 2008
Final Report	Article VII/7.4	July 30, 2008
Time Report	Article VII/7.5 & Article VIII/8.7	July 30, 2008
Final Invoice & Expenditure Report	Article VII/7.6 & Article X/10.2	August 15, 2008
Deliverable(s)		
SOW 6.1		
Working Session Update or Monthly Report	Article VI/6.1	Monthly by the 15 th and by working session dates
SOW 6.2		
Working Session Update or Monthly Report	Article VI/6.2	Monthly by the 15 th and by working session dates
SOW 6.3		
Permit Application Cover letter	Article VI/6.3/a	Each Submittal
Monthly Report	Article VI/6.3/b	Monthly by the 15 th
SOW 6.4		
Monthly Report	Article VI/6.4	Monthly by the 15 th
SOW 6.5		
Working Session Update or Monthly Report	Article VI/6.5	Monthly by the 15 th and by working session dates
SOW 6.6		
Comments on Rules	Article VI/6.6	Close of comment period or requested timeframe
SOW 6.7		
Communicate modification requests & participate in meetings	Article VI/6.7	Ongoing
SOW 6.8		
Maintain/Develop Database(s)	Article VI/6.8/a	Ongoing
Working Session Update or Monthly Report	Article VI/6.8/b	Monthly by the 15 th and by working session dates
SOW 6.9		
Maintain toll-free line	Article VI/6.9	Ongoing
SOW 6.10		
Final Report Update	Article VI/6.10	July 30, 2008
SOW 6.11		
Meeting attendance	Article VI/6.11	Ongoing
SOW 6.12		
Meeting attendance & document review	Article VI/6.12	Ongoing

Product/Deliverable	Reference	Due Date
<i>SOW 6.13</i>		
Training attendance by IAEAP and PE	Article VI/6.13	Ongoing, as requested
<i>SOW 6.14</i>		
Training Plan	Article VI/6.14/a	August 1, 2007 (Feb.1,2008 for SFY09 planning)
Training List Reports	Article VI/6.14/b	Monthly by the 15 th
<i>SOW 6.15</i>		
Meeting attendance	Article VI/6.15	Ongoing
<i>SOW 6.16</i>		
Meeting attendance	Article VI/6.16	As Needed
<i>SOW 6.17</i>		
One-on-One Assistance	Article VI/6.17/a	As requested between January 1–May 15, 2008
MSEIQ submittal	Article VI/6.17/b	September 1, 2008
Mailing offering Assistance	Article VI/6.17/d	Before May 15, 2008
Conduct Workshops	Article VI/6.17/e	April 30, 2008
Facility Site Visit	Article VI/6.17/f	As requested
SPARS Training	Article VI/6.17/g	Ongoing, as needed
<i>SOW 6.18</i>		
Annual Meeting with Emissions Inventory Staff	Article VI/6.18	June 1, 2008
<i>SOW 6.19</i>		
Annual Meeting with Construction Permit Staff	Article VI/6.19	June 30, 2008
<i>SOW 6.20</i>		
Meeting attendance	Article VI/6.20	2 weeks prior to MACT effectiveness
<i>SOW 6.21</i>		
Meeting attendance	Article VI/6.21	Ongoing, as requested

GENERAL CONDITIONS

Section 1.0 Entire Agreement

This agreement constitutes the entire agreement between the Department of Natural Resources (Department) and the Contractor with respect to the subject matter hereof, and the Contractor acknowledges that it is entering into the contract solely on the basis of the terms and conditions herein contained and not in reliance upon any representation, statement, inducement or promise, whether oral or written, not contained herein.

Section 2.0 Amendment

In order to be valid any amendment of this contract, or change in the conditions or terms of this contract, must be in writing and signed by the officials designated in Article IV of the Special Conditions.

Section 3.0 Availability of Funds

If funds anticipated for the continued fulfillment of this contract are at any time not forthcoming or insufficient, either through the failure of the Federal Government or of the State of Iowa to appropriate funds, or discontinuance or material alteration of the program under which funds were provided, then the Department shall have the right to terminate this contract without penalty in accordance with Section 7.1 of the General Conditions by giving not less than thirty (30) days written notice documenting the lack of funding.

Section 4.0 Records and Audit

4.1. The Contractor agrees to maintain books, documents and other records pertaining to all costs and expenses incurred and revenues acquired during this contract in accordance with generally accepted accounting principles and practices consistently applied and 40 CFR Part 31 in effect on the date of execution of this contract.

4.2. The Contractor shall also maintain the financial information and data used in the preparation or support of the cost submission required under 40 CFR 31.36(f) for this contract.

4.3. The Director of the Department or any duly authorized audit representative thereof shall have access to, for the purpose of audit and examination, any books, documents, papers and records of the Contractor which are pertinent at all reasonable times during the period of retention provided for in subsections 4.4, 4.5, and 4.6 below and shall have the right to make copies or to excerpt or make other transcriptions thereof. Access to records is not limited to the required retention periods. Department or its representatives shall have access to records at any reasonable time for as long as the records are maintained.

4.4. All records in the possession of the Contractor pertaining to this contract shall be retained by the Contractor for a period of three (3) years beginning with the date upon which the final payment under this contract is issued. Records for non-expendable property acquired under this contract shall be retained for a three (3) year period after the final disposition of the property.

4.5. Records relating to any litigation or claim arising out of the performance of this contract, or costs or expenses of this contract to which exception has been taken as a result of inspection or audit shall be retained by the Contractor until such litigation, claim, or exception has been finally settled or until the three-year period has expired, whichever occurs later.

4.6. The Contractor, in maintaining project expenditure accounts, records and reports, shall make any necessary adjustments resulting from any administrative reviews and audits by the United States Government or by the state of Iowa or by the Contractor.

Section 5.0 Allowable Costs

5.1. Allowable costs are specified under the approved budget presented in the Special Conditions of this contract. Allowable costs in contracts with public or non-public agencies are subject to the cost principles defined in Office of Management and Budget Circular A-21 as amended.

5.2. Indirect costs shall be allowable at a predetermined rate specified in the approved budget presented in the Special Conditions of this contract. Indirect cost rates, if applicable, for public and/or non-profit agencies shall be determined according to the principles defined in the Office of Management and Budget Circular A-21, as amended.

Section 6.0 Unallowable Costs

6.1. The following costs are unallowable for profit making companies under this contract.

- a. Legal expenses for the prosecution of claims against the Department, the state of Iowa, the Federal Government or any subdivision thereof are unallowable.
- b. The difference in cost between first-class air accommodations and less-than-first-class air accommodations, unless less-than-first-class air accommodations are not reasonably available, are unallowable.
- c. Costs incurred prior to the effective date of the contract are unallowable.
- d. Costs of preparing proposals for potential contracts are unallowable.
- e. Bad Debts. Any losses arising from uncollectable accounts and other claims, and related costs, are unallowable.
- f. Contingencies. Contributions to a contingency reserve or any similar provision for unforeseen events are unallowable
- g. Contributions and donations. Unallowable.
- h. Entertainment. Costs of amusements, social activities, and incidental costs relating thereto, such as meals, beverages, lodgings, rentals, transportation, and gratuities, are not allowable.
- i. Fines and penalties. Costs resulting from violations of, or failure to comply with Federal, State and local laws and regulations are unallowable.
- j. Interest and other financial costs. Interest on borrowings (however represented), bond discounts, cost of financing and refinancing operations, and legal and professional fees paid in connection therewith, are unallowable except when authorized by Federal legislation.

Section 7.0 Termination of Contract

7.1 Termination for cause. The Department may terminate this contract in whole or in part, at any time before the date of completion, whenever it is determined that the Contractor has failed to comply with the conditions of the contract. Before any termination, the Director shall provide the Contractor an opportunity for consultation. The Department shall notify the Contractor in writing of any termination. The notice shall state the reasons for the termination. The Contractor must stop work immediately upon notification of termination. The Department will not provide any reimbursement for new commitments after the notice of termination. Payments made to the Contractor or recoveries by the Department under contracts terminated for cause shall be in accordance with the legal rights and liabilities of the parties.

7.2 Termination due to non-appropriation. Notwithstanding any other provision of this contract, if funds anticipated for the continued fulfillment of the contract are, at any time, not forthcoming or are insufficient, either through the failure of the Department to appropriate funds or funding from a federal source is reduced or discontinued for any reason, or through discontinuance or material alteration of the program for which funds were provided, the Department shall give the vendor written notice as soon as practical documenting the lack of funding, discontinuance or program alteration. Unless otherwise agreed to by the parties, the Agreement shall terminate on the last day of the fiscal year for which appropriations were available. However, in the event that an appropriation to cover the cost of this contract becomes available within sixty (60) days subsequent to termination under this section, the Department agrees to re-enter the Agreement with the terminated vendor under the same provisions, terms and conditions as the original contract.

7.3. Termination for convenience. The Department or the Contractor may terminate the contract in whole, or in part, when both parties agree that the continuation of the project would not produce beneficial results commensurate with the future expenditure of the funds. The two parties shall agree upon the termination conditions, including the effective date and, in the case of partial obligations, for the termination portion after the effective date, and shall cancel as many outstanding obligations as possible. The Department shall allow full credit to the Contractor for the Department's share of the noncancellable obligations, properly incurred by the Contractor prior to termination. The termination agreement must be in writing and signed by the officials designated in Article VIII of the Special Conditions.

7.4. Rights in incomplete products. In the event the contract is terminated, all finished or unfinished documents, data, reports, or other materials prepared by the Contractor under this contract shall, at the option of the Department, become the Department's property and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other material.

Section 8.0 Equal Employment Opportunity

8.1. The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, religion, sex, national origin, age, or mental or physical disability. The Contractor will take affirmative action to ensure that applicants are employed and that employees are treated, during employment, without regard to their race, creed, color, religion, sex, national origin, age or mental or physical disability except where mental or physical disability relates to a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor's business. Such action shall include but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training, including apprenticeship. The Contractor agrees to post notices, setting forth provisions of this nondiscrimination clause, in conspicuous places available to employees and applicants for employment.

8.2. The Contractor will in all solicitations or advertisements for employees, placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, sex, national origin, age, or mental or physical disability except where mental or physical disability is a bona fide occupation qualification reasonably necessary to the normal operation of the Contractor's business.

8.3. The Contractor will comply with all relevant provisions of the Iowa Civil Rights Act of 1965, as amended, Iowa Executive Order 15 or 1973, Chapter 19B, Code of Iowa, Federal Executive Order 11246 of 1965, as amended by Federal Executive Order 11376 of 1967, and Title VI of the Civil Rights Act of 1964, as amended. The Contractor will furnish all information and reports requested by the state of Iowa or required by, or pursuant to, the rules and regulations thereof and will permit access to payroll and employment records by the state of Iowa for purposes of investigation to ascertain compliance with such rules, regulations or requests, or with this nondiscrimination clause.

8.4. In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the aforesaid rules, regulations or requests, this contract may be canceled, terminated or suspended in whole or in part. In addition, the state of Iowa may take such further action, and such other sanctions may be imposed and remedies invoked, as provided by the Iowa Civil Rights Act of 1965, as amended, Chapter 216, Code of Iowa, or as otherwise provided by law.

8.5. The Contractor will include the provisions of paragraphs 8.1 through 8.4 hereof in every subcontract, unless specifically exempted by approval of the state of Iowa, so that such provisions will be binding on each subcontract. The Contractor will take such action with respect to any subcontract as the state of Iowa may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the state of Iowa, the Contractor may request the state of Iowa to enter into such litigation to protect the interests of the state of Iowa.

Section 9.0 Interest of the Contractor and Others

The Contractor covenants that he/she presently has no interest and shall not acquire any interest, direct and indirect, which would conflict in any manner or degree with the performance of services required under this contract. The Contractor further covenants that in the performance of this contract no person having any such interest shall be employed.

Section 10.0 Assignment of Interest

Neither the contract nor any interest therein nor claim thereunder shall be assigned or transferred by the Contractor to any other party or parties. Attempted assignment may be considered, at the option of the Department, to be a substantial breach and cause for termination within the meaning of subsection 7.1 of the General Conditions.

Section 11.0 Personnel

11.1. Selection. The Contractor represents that he/she has, or will secure all personnel required in performing the work and services under this contract. Such personnel shall not be employees of or have any contractual relationship with the Department.

11.2. Qualification. All of the work and services required hereunder will be performed by the Contractor or under the Contractor's supervision and all personnel engaged in the work shall be fully qualified and shall be authorized under state and local law to perform such services.

11.3 Change of Personnel. Any individual specified by name or job title in Article IV,4.2 ('key personnel' only) and VIII, 8.7 of the Special Conditions herein is considered essential to the work and services to be performed. If for any reason substitution for a specified individual becomes necessary, the Contractor shall provide immediate written notification of such to the Department. The Contractor shall provide the name and resume of qualification for the replacement individual. Any replacement shall be subject to the reasonable approval of the Department.

11.4 Budget Revisions. Budget revisions requiring DNR prior approval will be determined in accordance with OMB Circular A-110, Section _25 (<http://www.whitehouse.gov/omb/circulars/a110/a110.html>.)

Section 12.0 Subcontracts.

None of the work or services required under this contract shall be subcontracted by the Contractor without the prior written approval to subcontract by the Department and the prior written approval of the subcontract itself by the Department. Attempted subcontracting may be considered, at the option of the Department, to be substantial breach and cause for termination within the meaning of Section 7.1 of the General Conditions. Any subcontract exceeding \$25,000 approved by the Department and entered into by the Contractor shall contain, at a minimum, the General Conditions of this contract.

Section 13.0 Effect of Invalidity

If any of the provisions herein shall be in conflict with the laws of the state of Iowa, and shall be declared to be invalid by any court of record in this state, such validity declaration shall be construed to affect only such portions as are declared invalid or in conflict with the law and such remaining portion or portions of the contract shall remain in effect and shall be construed as if such invalid or conflicting portion of the contract were not contained herein.

Section 14.0 Indemnification

To the extent allowed and provided by law:

14.1. The Contractor agrees to jointly and severally indemnify and hold the Department, the state, its successors and assignees harmless from and against all liability, loss, damage or expense including reasonable attorney's fees which the Department may incur or sustain by reason of the failure of the Contractor to fully perform and comply with the terms and obligations of this contract.

14.2. The Contractor shall indemnify and hold the Department, the state, its successors and assignees harmless from all liability, loss, damage, or expense including reasonable attorney's fees resulting from any suits, claims or actions brought for or on account of any injuries the Contractor or any persons working for the Contractor may incur while carrying out the terms of this Agreement.

Section 15.0 Patents

15.1. If the Contractor or any or all of its employees or agents invents or discovers any new useful process, machine, manufacture or composition of material, or any new and useful improvement thereof, as a result of work performed under this contract, the Contractor shall immediately provide written notice of the discovery to the Director. The Contractor shall evaluate each such discovery and if in the judgment of the Contractor the attendant circumstances warrant filing a patent application, the Contractor shall comply with 40 CFR 1101. If the Contractor has not filed an application within six months of notice to the Director of the discovery, the Department may apply for a patent for the discovery on the behalf of the state of Iowa.

15.2. The Contractor shall notify the Department in writing of the issuance of a patent to the Contractor or the Contractor's employees or agents for any discovery resulting from work performed as a result of this contract. The state of Iowa, its political subdivisions, its Departments and its divisions shall be entitled to an irrevocable, nonexclusive royalty-free license for governmental purposes under any patent held by the Contractor or the Contractor's employees or agents and originating from work performed under this contract.

Section 16.0 Copyrights and Use of Data

16.1. The term "subject data" used in this clause includes writing, technical reports, sound recordings, magnetic recordings, computer programs, computerized databases, databases in hard copy, pictorial reproductions, plans, drawings, including engineering or manufacturing drawings, specifications, or other graphical representations, and works of any similar specifications, or other graphical representations, and works of any similar nature (whether or not copyrighted) which the Contractor submits or which the Department specifies to be delivered under this agreement or which the Contractor develops or produces and the Department pays for under this contract. The term does not include financial reports, cost analyses, and other information incidental to contract administration.

16.2. Except as may otherwise be provided in this contract, when publications, films, or similar materials are developed directly from a project supported by the Department, the Contractor is free to arrange for copyright without approval. The Contractor agrees to and does hereby grant to the Department, and to its officers, agents, and employees acting within the scope of their official duties, a royalty-free, nonexclusive, and irrevocable license throughout the world for Department purposes to publish, translate, reproduce, deliver, perform, dispose of and to authorize others so to do, all subject data, or copyrightable material based on such data, covered by copyright now or in the future.

16.3. The Contractor shall not include in the subject data any copyrighted matter without the written approval of the Director, unless the Contractor provides the Department with the written permission of the copyrighted owner for the Department to use the copyrighted matter in the manner provided for in subsection 16.2 above.

16.4. Nothing contained herein shall imply a license to the Department under any patent or be construed as affecting the scope of any license or other rights otherwise granted to the Department under any patent.

16.5. Unless otherwise limited below, the Department may, without additional compensation to the Contractor, duplicate, use, and disclose in any manner and for any purpose whatsoever, and have others so do, all subject data.

16.6. Notwithstanding any provisions of this contract concerning inspection and acceptance, the Department shall have the right at any time to modify, remove, obliterate, or ignore any marking restricting disclosure of subject data if the marking is not authorized by the terms of this contract.

16.7. Data need not be furnished for standard commercial items or services which are normally sold, or have been sold, or offered to the public commercially by any supplier and which are incorporated as component parts in or to be used with the product or process being developed or investigated under this

contract if, in lieu thereof, identification of source and characteristics (including performance specifications, when necessary) sufficient to enable the Department to procure the part or practice the process, or acquire an adequate substitute, are furnished.

16.8. In addition to any data specified elsewhere in this contract to be furnished to the Department, the recipient shall retain and, upon written request of the Director at any time during project performance or within two years after project performance is completed, deliver any subject data not previously delivered.

16.9. The Contractor shall exert all reasonable effort to advise the Director of the Department, at the time of delivery of the subject data furnished under this contract, of all invasions of the right-of-privacy contained therein and of all portions of such data copied from work not composed or produced in the performance of this contract and not licensed under this section.

16.10. The Contractor shall report to the Director of the Department, promptly and in reasonable written detail, each notice or claim of copyright infringement received by the Contractor with respect to all subject data delivered under this contract. On receipt of this information, the parties hereto agree to confer to determine future uses to be made of the subject data.

16.11. The Contractor or any or all of its employees or agents may duplicate, use and disclose all subject data deliverable under this contract, provided that the Contractor or such employees or agents acknowledge the contribution of the Department and the contract number of this contract and any copyright secured for such data; provided further that there shall be no pre-release or publication of data or findings connected with this in scholarly or professional journals or through public presentation or news release or otherwise until the performance of this contract is completed, unless prior written authorization has been obtained from the Department's Director.

Section 17.0 Notice and Assistance Regarding Patent and Copyright Infringement

17.1. The Contractor agrees to report to the Department's Director promptly and in reasonable written detail, each notice or claim of patent or copyright infringement based on the performance of this grant of which the Contractor has knowledge.

17.2. In the event of any claim or suit against the Department, the state of Iowa, or the United States, on account of any alleged patent or copyright infringement arising out of the performance of this contract or out of the use of any supplies furnished or work or services performed hereunder, the Contractor agrees to furnish to the Department, when requested by the Director, all evidence and information in possession of the Contractor pertaining to such suit or claim. Such evidence and information shall be furnished at the expense of the Department except where the Contractor has agreed to indemnify the Department.

Section 18.0 Title to Equipment and Property Inventory

Any nonconsumable equipment which is tangible personal property, which has a purchase price of \$5,000 or more, and a useful life of two or more years and which is purchased with funds from the contract budget shall be the property of the Department. The cost of any such equipment purchased within a billing period or within the course of production of any deliverable item for which billing is made under Article X of the Special Conditions shall be itemized on the voucher required by Article X. Upon receipt of a voucher, which itemizes such equipment, the Department will provide State of Iowa Property Tags to the Contractor. The Contractor will attach a Property Tag to any such equipment and inform the Department of the price of the equipment, the make or manufacturer, serial number, and model year or number of the equipment to which each Property Tag is attached.

Section 19.0 Privity of Contract

This contract is expected to be funded in part with funds from the U.S. Environmental Protection Agency. Neither the United States nor any of its Departments, agencies or employees is, or will be, a party to this contract or any subcontract. This contract is subject to regulations contained in 40 CFR Part 31 in effect on the date of the initial payment under this contract.

Section 20.0 Remedies

Unless otherwise provided in this contract all claims, counter-claims, disputes and other matters in question between the Department and the Contractor arising out of, or relating to, this contract or the breach of it will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the state of Iowa. All claims, counter-claims, disputes or other matters will be determined by the laws of the state of Iowa unless federal law or regulations govern.

Section 21.0 Cost Price Data

The Contractor, where appropriate, assures that the cost and pricing data submitted for evaluation with respect to negotiation of prices for this contract is based on current, accurate and complete data supported by their books and records. If the Department determines that any price (including profit) negotiated in connection with this contract or amendment thereunder was increased by any significant sums because the data provided was incomplete, inaccurate or not current at the time of submission, then such price or cost or profit shall be reduced accordingly and the Contractor shall suggest language to modify the contract in writing to reflect such action. Failure to agree on a reduction shall be subject to the remedies clause (Section 20.0) of this contract.

Section 22.0 Gratuities

22.1. If the Department finds after a notice and hearing that the Contractor or any of the Contractor's agents or representatives offered or gave gratuities (in the form of entertainment, gifts or otherwise) to any official, employee or agent of the Department, the state or Federal government in an attempt to secure a contract or favorable treatment in awarding, amending or making any determinations related to the performance of this contract, the Department may, by written notice to the Contractor, terminate this contract. The Department may also pursue other rights and remedies that the law or this contract provides. However, the existence of the facts on which the Department bases such findings shall be in issue and may be reviewed in proceedings under the Remedies clause (Section 20.0) of this contract.

22.2. In the event this contract is terminated as provided in subsection 22.1, the Department may pursue the same remedies against the Contractor as it could pursue in the event of a breach of the contract by the Contractor, and as a penalty, in addition to any other damages to which it may be entitled by the law, be entitled to exemplary damages in an amount (as determined by the Department) which shall be not less than three nor more than ten times the cost the Contractor incurs in providing any such gratuities to any such officer or employee

Section 23.0 Responsibility of the Contract

23.1. The Contractor is responsible for the professional quality, technical accuracy, timely completion and coordination of all designs, drawings, specifications, reports and other services furnished by the Contractor under this contract. If the contract involves environmental measurements or data generation, the Contractor shall comply with EPA quality assurance requirements contained in 40 CFR 31.45. The Contractor shall, without additional compensation, correct or revise any errors, omissions or other deficiencies in his designs, drawings, specifications, reports and other services.

23.2. The Contractor shall perform the professional services necessary to accomplish the work specified in this contract in accordance with this contract and applicable EPA requirements in effect on the date of execution of the assistance agreement for this project.

23.3. The Department's or EPA's approval of drawings, designs, specifications, reports and incidental work or materials furnished hereunder shall not in any way relieve the Contractor of responsibility for the technical adequacy of this work. Neither the Department's nor EPA's review, approval, acceptance or payment for any of the services shall be construed as waiver of any rights under this contract or of any cause for action arising out of the performance of this contract.

23.4. The Contractor shall be, and shall remain, liable in accordance with applicable law for all damages to the Department or EPA caused by the Contractor's negligent performance of any of the services furnished under this contract, except for errors omissions or other deficiencies to the extent attributable to

Department-furnished data and any third part. The Contractor shall not be responsible for any time delays in the project caused by circumstances beyond the Contractor's control.

23.5. The Contractor's obligation under this clause are in addition to the Contractor's other express or implied assurances under this contract or state law and in no way diminish any other rights that the Department may have against the Contractor for faulty materials, equipment or work.

Section 24.0 Final Payment

Before final payment or a termination settlement under this contract, the Contractor shall execute and deliver to the Department a release of all claims against the Department arising under, or by virtue of, this contract except claims which are specifically exempted by the Contractor. Unless otherwise provided in this contract, by state law or otherwise expressly agreed to by the parties to the contract, final payment under a settlement upon termination of this contract shall not constitute a waiver of the Department's claims against the Contractor, or the Contractor's sureties under this contract or applicable performance and payment bonds.

Section 25.0 Violating Facilities

The Contractor shall comply with all applicable standards, orders or requirements issued under Section 308 of the Clean Air Act (42 USC 1557(h), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and EPA regulations (40 CFR Part 15) which prohibit the use, under nonexempt Federal contracts, grants or loans in excess of \$100,000.00, of facilities included on the EPA List of Violating Facilities.

Section 26.0 Energy Efficiency

The Contractor shall comply with mandatory standards and policies on energy efficiency contained in the state's energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).

Section 27.0 Compliance with Laws

27.1. The Contractor agrees that over the duration of and as a condition of the Contractor's duty to perform under the terms of this contract, that it will be in compliance with all applicable laws and regulations of the state and Federal government, including, but not limited to Equal Employment Opportunity provisions, Occupational Health and Safety Act, records retention, audit requirements, allowable costs, and the requirements of 40 CFR.

27.2. The Contractor certifies that it is not on EPA's List of Violating Facilities as listed in 40 CFR Part 15 and that it has not been debarred, suspended, or otherwise excluded from receiving federal funds by any agency of the U.S. government.

Section 28.0 Covenant Against Contingent Fees

The Contractor assures that no person or selling agency has been employed or retained to solicit this contract upon agreement or understanding for a commission, percentage, brokerage or contingent fee excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this assurance, the Department shall have the right to annul this contract without liability or, at its discretion, to deduct from the contract price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

Section 29.0 Changes

29.1. The Department may at any time, by written order make changes within the general scope of this contract in the services or work to be performed. If such changes cause an increase or decrease in the Contractor's cost or time required to perform any services under this contract, whether or not changed by any order, the Department shall make an equitable adjustment and modify this contract in writing. The

Contractor must assert any claim for adjustment under this clause in writing within 30 days from the date it receives the Department's change, unless the Department grants additional time before the date of final payment.

29.2. No services for which the Contractor will charge an additional compensation shall be furnished without the written authorization of the Department.

Section 30.0 Debarment and Suspension

30.1. The Contractor hereby certifies that to the best of its knowledge and belief that it and its participants are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by the any federal Department or agency.

30.2. The Contractor acknowledges that doing business with any party appearing on the nonprocurement portion of the "List of Parties Excluded from Federal Programs" may result in disallowance of costs under this contract and may also result in suspension or debarment.

Section 31.0 Minority and Women's Business Utilization

The Contractor agrees to include the six affirmative steps in 40 CFR 31.36(e) in any solicitation documents for subcontracting supplies and services under this contract to assure that minority and women's businesses are used when possible. The Contractor will submit Standard Form 334 to the Department to report the utilization of such business.